

## 116 - State Lottery Commission

### A001 Administration

The Lottery's purpose is to generate profits from sales to benefit state-funded efforts. All activities are funded from product sales. The Administration activity includes those services that support sales, such as executive guidance, accounting, budgeting, internal audit, legal counsel, facility maintenance, purchasing, information technology, security, and human resources.

	FY 2006	FY 2007	Biennial Total
FTE's	47.3	46.7	47.0
GFS	\$0	\$0	\$0
Other	\$5,688,000	\$6,098,000	\$11,786,000
Total	\$5,688,000	\$6,098,000	\$11,786,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide state financial services and resources

#### Expected Results

Lottery employees that are strongly supported as they generate sales. For the 2005-07 Biennium, the Lottery projects sales of \$936.0 million and profits of \$214.0 million. The distribution of profits are as follows: \$183.8 million to the Education Construction Account, \$16.1 million to the Stadium and Exhibition Center, and \$8.9 million to King County (Safeco Field), \$4.0 million to Economic Development Strategic Reserve Account, and \$0.4 million to Problem Gambling Account.

Lottery games revenue estimates for education construction and other statutory commitments as reported to the Revenue Forecast Council				
Biennium	Period	Target	Actual	Variance
2005-07	8th Qtr	\$105.12		
	4th Qtr	\$108.08		
2003-05	8th Qtr	\$97.2	\$103.9	\$6.7
	4th Qtr	\$91.7	\$106.3	\$14.6
2001-03	8th Qtr	\$101.8	\$84	\$(17.8)
	4th Qtr	\$102.4	\$83.4	\$(19)

### A009 Prizes

The Prize activity consists of the payments made to Lottery game winners.

*Appropriation Period: 2005-07 Activity Version: 2E - Agency recast for 06 supplemental*

	FY 2006	FY 2007	Biennial Total
FTE's	0.0	0.0	0.0
GFS	\$0	\$0	\$0
Other	\$293,600,000	\$293,601,000	\$587,201,000
Total	\$293,600,000	\$293,601,000	\$587,201,000

**Statewide Result Area: Strengthen government's ability to achieve results efficiently and effectively**

**Statewide Strategy: Provide state financial services and resources**

### **Expected Results**

Lottery customers who enjoy playing Lottery games, who are convinced of the organization's integrity, and who want to play again. This activity also contributes to the revenue measure listed with the Administration activity.

## **A002 Commissions**

The Commissions activity includes payments to approximately 3500 retailers who sell Lottery products.

	FY 2006	FY 2007	Biennial Total
FTE's	0.0	0.0	0.0
GFS	\$0	\$0	\$0
Other	\$29,130,000	\$29,130,000	\$58,260,000
Total	\$29,130,000	\$29,130,000	\$58,260,000

**Statewide Result Area: Strengthen government's ability to achieve results efficiently and effectively**

**Statewide Strategy: Provide state financial services and resources**

### **Expected Results**

Lottery retailers who are enthused about selling Lottery products, who treat players well, and who represent the Lottery in a positive manner. This activity also contributes to the revenue measure listed with the Administration activity.

## **A005 Game Vendors**

This activity includes contractual payments for services provided by vendors for the gaming system, stand alone machines, and scratch products, and includes such things as game planning and analysis, new technologies, and communication terminals in 3500 retail outlets.

Appropriation Period: 2005-07 Activity Version: 2E - Agency recast for 06 supplemental

	FY 2006	FY 2007	Biennial Total
FTE's	0.0	0.0	0.0
GFS	\$0	\$0	\$0
Other	\$14,294,000	\$16,585,000	\$30,879,000
Total	\$14,294,000	\$16,585,000	\$30,879,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide state financial services and resources

### Expected Results

Lottery products (games) which are attractive and entertaining, and encrypted rapid wager processing systems that ensure high product integrity. This activity also contributes to the revenue measure listed with the Administration activity.

## A014 King County (Safeco Field) Statutory Payment

This activity remits the funds necessary for debt service payment on the bonds used to build Safeco Field.

	FY 2006	FY 2007	Biennial Total
FTE's	0.0	0.0	0.0
GFS	\$0	\$0	\$0
Other	\$4,355,000	\$4,530,000	\$8,885,000
Total	\$4,355,000	\$4,530,000	\$8,885,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide state financial services and resources

### Expected Results

Statutory obligation for debt service payments on bonds used to build Safeco field is met.

## A007 Marketing, Research, and Communications

The Marketing activity, through analysis, innovation, and design, captures the attention of new customers and maintains the involvement of our core customer base. The activity includes research, advertising, public relations, community events, sports sponsorship, promotions, winning numbers hotline, and the Lottery website.

Appropriation Period: 2005-07 Activity Version: 2E - Agency recast for 06 supplemental

	FY 2006	FY 2007	Biennial Total
FTE's	18.5	18.5	18.5
GFS	\$0	\$0	\$0
Other	\$9,676,000	\$9,902,000	\$19,578,000
Total	\$9,676,000	\$9,902,000	\$19,578,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide state financial services and resources

### Expected Results

Lottery players who know about our products, who choose them because they are both entertaining and offer a societal payback, and who will continue to watch for new and fun opportunities from the Lottery. This activity also contributes to the revenue measure listed with the Administration activity.

## A011 Retailer Support

The Retailer support activity, through person-to-person customer contacts, is organized in six regions of the state. The activity assists both corporate accounts and independent retailers in licensing to operate, optimizing inventory, achieving high sales, securing product, and minimizing expenses. Retailer promotions, and distribution of tickets to Lottery's retailers are all part of this activity.

	FY 2006	FY 2007	Biennial Total
FTE's	79.6	79.6	79.6
GFS	\$0	\$0	\$0
Other	\$7,524,000	\$7,641,000	\$15,165,000
Total	\$7,524,000	\$7,641,000	\$15,165,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide state financial services and resources

### Expected Results

Lottery retailers who are knowledgeable about our products, confident in selling them, adequately stocked at all times, and appreciate serving as partners with the Lottery in benefiting the state of Washington. This activity also contributes to the revenue measure listed with the Administration activity.

*Appropriation Period: 2005-07 Activity Version: 2E - Agency recast for 06 supplemental*

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**Grand Total**

	FY 2006	FY 2007	Biennial Total
FTE's	145.4	144.8	145.1
GFS	\$0	\$0	\$0
Other	\$364,267,000	\$367,487,000	\$731,754,000
Total	\$364,267,000	\$367,487,000	\$731,754,000